

IN THE TENNESSEE REGULATORY AUTHORITY  
NASHVILLE, TENNESSEE

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IN RE: PETITION OF BELL SOUTH TO )  
IMPLEMENT NEW AND INCREASE )  
EXISTING LATE PAYMENT ) DOCKET NO. 00-00041  
CHARGES )  
)

EXECUTIVE SECRETARY

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REASONS WARRANTING DISCOVERY

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Comes the Consumer Advocate Division and respectfully submits that all of the discovery requested by the Consumer Advocate Division in this case is relevant or likely to lead to the discovery of relevant evidence. BellSouth's tariff seeks to add late payment charges to both basic and non-basic service. In addition, BellSouth seeks to impose late payment charges to non-basic service even if it can not impose charges on basic local exchange service. Furthermore, BellSouth seeks to impose charges for telephone services where others contracted with the consumer. As a result, the Consumer Advocate Division needs discovery regarding each of the classes of customer.

In his initial affidavit at the outset of this case R. Terry Buckner, stated:

1. That the BellSouth rate filing does not address the fact that the customer or end-user has already considered the timeliness of payments and their related bad debt expense in BellSouth's current rates.
2. That at the last rate proceeding for BellSouth before the Tennessee Public Service Commission ("TPSC"), return on the investment in Working Capital required to fund the operations during the lag between provision of

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service and collection of revenues was included in the cost of service on which current rates are based.

3. That at the last rate proceeding for BellSouth before the TPSC, the cost of service on which current rates are based included bad debt expense reflecting BellSouth's actual collection experience and that those rates were in existence on June 6, 1995 and December 1, 1998.
4. That the imposition of a late payment charge without a corresponding reduction will result in BellSouth's double recovering of costs. BellSouth will recover once through rates and again through the application of the penalty.

The information sought by the Consumer Advocate Division is also relevant to the matters presented by Mr. Buckner. Mr. Buckner also ratifies the information requested in certain discovery requests by affidavit and said affidavit is incorporated by reference.

Respectfully submitted,



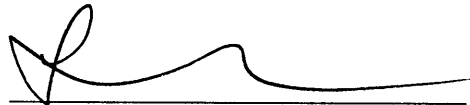
L. Vincent Williams  
Deputy Attorney General - Consumer Advocate  
Consumer Advocate Division  
425 5<sup>th</sup> Avenue, North  
Nashville, TN 37243  
(615) 741-8723  
BPR. No. 011189

Certificate of Service

I hereby certify that a true and correct copy of the foregoing Reasons for Discovery has been mailed postage prepaid to the parties listed below this ( day of May, 2000.

Guy Hicks, Esq.  
Patrick Turner, Esq.  
BellSouth Telecommunications, Inc.  
333 Commerce St., Suite 2101  
Nashville, TN 37201-3300

David Waddell, Esq.  
Executive Secretary  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0505

A handwritten signature in black ink, appearing to read 'L. Vincent Williams', written over a horizontal line.

L. Vincent Williams

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AFFIDAVIT

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Comes the Affiant, R. Terry Buckner, after being duly sworn who deposes and says:

1. That I am a Certified Public Accountant and Senior Regulatory Analyst of the Consumer Advocate Division Staff ("CA") in the office of the Attorney General and Reporter for the State of Tennessee.
2. That discovery is necessary for the reasons indicated on the attached pages and because the other information requested goes to the facts which should be in evidence in this case.

Further the Affiant sayeth not.

R. Terry Buckner

R. Terry Buckner

Subscribed and sworn before me this the 1<sup>st</sup> day of May, 2000.

Teresa A. Harris

Notary Public

My commission expires on the Jan. day of 25, 2003.